

Incident To

Reimbursement Policy ID: RPC.0014.01CH

Recent review date: 11/2025

Next review date: 12/2027

Keystone First – CHIP (Children's Health Insurance Program) reimbursement policies and their resulting edits are based on guidelines from established industry sources, such as the Centers for Medicare and Medicaid Services (CMS), the American Medical Association (AMA), state and federal regulatory agencies, and medical specialty professional societies. Reimbursement policies are intended as a general reference and do not constitute a contract or other guarantee of payment. Keystone First – CHIP may use reasonable discretion in interpreting and applying its policies to services provided in a particular case and may modify its policies at any time.

In making claim payment determinations, the health plan also uses coding terminology and methodologies based on accepted industry standards, including Current Procedural Terminology (CPT); the Healthcare Common Procedure Coding System (HCPCS); and the International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10-CM), and other relevant sources. Other factors that may affect payment include medical record documentation, legislative or regulatory mandates, a provider's contract, a member's eligibility in receiving covered services, submission of clean claims, and other health plan policies, and other relevant factors. These factors may supplement, modify, or in some cases supersede reimbursement policies.

This reimbursement policy applies to all health care services billed on a CMS-1500 form or its electronic equivalent, or when billed on a UB-04 form or its electronic equivalent.

To the extent that any procedure and/or diagnosis codes are specified in this policy, such inclusion is provided for reference purposes only, may not be all inclusive, and is not intended to serve as billing instructions. Listing of a code in this policy does not imply that the service described by the code is a covered or non-covered health service. Benefit coverage for health services is determined by federal, state, or contractual requirements and applicable laws that may require coverage for a specific service. The inclusion of a code does not imply any right to reimbursement or guarantee claim payment. Other Policies and Guidelines may apply.

Policy Overview

"Incident to" allows outpatient services that are furnished by nonphysician providers to be billed under a physician's national provider identification (NPI) number. The services must be an integral, although incidental, part of the physician's personal professional services, and they must be performed under the physician's direct supervision.

Exceptions

"Incident To" services are not reimbursable in certain service settings. Claims with the following Place of Service (POS) codes will be denied.

- 02 – Telehealth

- 19 – Outpatient hospital
- 21 – Inpatient hospital
- 22 – On-campus outpatient hospital
- 23 – Emergency department
- 24 – Ambulatory Surgery Center
- 26 – Military Treatment Center
- 31 – Skilled Nursing Facility
- 34 – Hospice Facility
- 41 – Ambulance – Land
- 42 – Ambulance – Air
- 51 – Inpatient Psychiatric Facility
- 52 – Psychiatric Facility, Partial Hospitalization
- 53 – Community Mental Health
- 56 – Psychiatric Residential Treatment
- 61 – Comprehensive Inpatient Rehabilitation Facility

Reimbursement Guidelines

Keystone First – CHIP covers “incident to” billing for nurse practitioners, physician assistants, and certified nurse midwives. “Incident to” outpatient services that are furnished by nonphysician providers may be billed under the supervising physician’s national provider identification (NPI) number when services meet “incident to” criteria including direct personal supervision.

Direct personal supervision means the Supervising Health Care Provider is present in the location of service and immediately available to provide assistance and direction throughout the time the nonphysician provider is performing the services.

Nurse Practitioners and Certified Nurse Midwives enrolled with PAMA may bill as the rendering provider for eligible services.

Definitions

Advanced practice professional (APP)

An Advanced Practice Provider (APP) is a health care provider who is not a physician but who performs medical activities typically performed by a physician. They are most commonly a nurse practitioner or physician assistant.

Direct supervision

The physician must be immediately available to furnish assistance and direction throughout the performance of the procedure/service.

Incident to

“Incident to” a physician’s professional services means that the services or supplies are furnished as an integral, although incidental, part of the physician’s personal professional services in the course of diagnosis or treatment of an injury or illness.

General Supervision

A procedure or service is furnished under the physician's overall direction and control, but the physician's presence is not required during the performance of the procedure/service. This includes all therapeutic outpatient hospital services.

Edit Sources

- I. Current Procedural Terminology (CPT) and associated publications and services.
- II. International Classification of Diseases, 10th Revision, Clinical Modification (ICD-10).
- III. Healthcare Common Procedure Coding System (HCPCS).
- IV. Centers for Medicare and Medicaid Services (CMS).
- V. The National Correct Coding Initiative (NCCI).
- VI. Edith K. Weber, "Medicare Compliance Basics: "Incident to" Billing," Foley Blogs, February 16, 2023, <https://www.foley.com/insights/publications/2023/02/medicare-compliance-basics-incident-billing/>.
- VII. Applicable Keystone First – CHIP manual reference.
- VIII. Applicable Pennsylvania guidance
- IX. Pennsylvania Medicaid Fee Schedule(s).

Attachments

N/A

Associated Policies

RPC.0021.0000 New Patient Visit
RPC.0063.0000 Place of Service

Policy History

11/2025	Reimbursement Policy Committee Approval
10/2025	Biennial Review <ul style="list-style-type: none">No major updates
06/2025	Minor updates to formatting and syntax
05/2025	Reimbursement Policy Committee Approval
04/2025	Revised preamble
04/2024	Revised preamble
08/2023	Removal of policy implemented by Keystone First – CHIP from Policy History section
01/2023	Template Revised <ul style="list-style-type: none">Revised preambleRemoval of Applicable Claim Types tableCoding section renamed to Reimbursement GuidelinesAdded Associated Policies section